

City of Alexandria, Virginia

MEMORANDUM

DATE: MARCH 14, 2014

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

THROUGH: RASHAD M. YOUNG, CITY MANAGER

FROM: NELSIE L. SMITH, OFFICE OF MANAGEMENT AND BUDGET

SUBJECT: BUDGET MEMO #6: RESPONSE TO COUNCIL QUESTIONS

Every Friday, the Office of Management & Budget issues Budget Memos to answer questions posed by members of City Council. We prepare the memos in a question and answer format. Below are answers to some of the questions posed thus far by Councilman Wilson.

COPS

Question: “Do we know where the COPS reduction will come from?”

Response: The City’s Bland neighborhood has been identified for reduction. This position was selected for reduction because there are currently two community police officers assigned to this neighborhood. The Bland neighborhood is located in the Braddock East area of the City. As a result, a community policing presence will remain after this position is eliminated. Additionally, an analysis of the COPS areas indicated the loss of one community police officer in this neighborhood will have the least impact on service levels to the community.

SENIOR RENT RELIEF

Question: “The proposed budget includes \$300,000 for expansion of the Senior Rent Relief program. The performance measures indicate an increase of 42 people receiving Rent Relief overall. Are all 42 of those people receiving the Senior Rent Relief expansion? How many eligible applicants applied in FY 2013 & FY 2014? What was the waiting list for services? Are there requirements for residency duration? What percent of the eligible population do we believe we will serve? What partnership opportunities exist with this program?”

Response: The expanded Senior Rent Relief program would serve an estimated 40 additional applicants. The number of eligible applications received in FY 2013 was 125. A total of 86 have been received to date in FY 2014. As of December 31, 2013 there were 59 people on the waiting list. Applicants must have an existing lease within the City to qualify, however there is no time requirement for how long they must

have resided in the City. DCHS actively works with a variety of non-profit partners through the Continuum of Care, which is the City-wide homeless services partnership. With case management services attached to this program, there will be more opportunities to partner with other community organizations, including targeted outreach and linkages for services. The entire eligible population will require further research to determine.

PARKING GARAGE FEES

Question: “What would be the necessary increase in parking garage fees to offset the \$26,398 in credit card service fees?”

Response: In order to offset the increase in credit card fees in FY 2015, the hourly parking garage rate at City garages would increase from \$2.50 to \$2.55, and the daily maximum rate would increase from \$10.00 to \$10.20.

COMMUNICABLE DISEASE PREVENTION & CONTROL

Question: “I’m not sure I understand some of these performance measures for Communicable Disease Prevention & Control. The second, third and fifth are fine volume measures, but the first, second, fourth and sixth strike me as strange measures for performance. Wouldn’t it be more appropriate to have a metric around the number of HIV tests performed, the number of STI tests performed, the number of TB screenings performed?”

Response: The Communicable Disease Prevention and Control program has four lines of business and seventeen performance measures that are used to evaluate the programs achievements. The new budget format has a limited amount of space for performance measures, so the number of measures was limited. The budget document is not sole repository for departments’ performance measures. It includes only a sample of measures subjectively selected based on their representativeness and correctness of the data. A more comprehensive process for reporting performance data is being developed through the Results Alexandria initiative, however subsets of measures will continue to appear in multiple places, including the budget document, AlexStat reports, department work plans, and the Strategic Plan. For the Health Department, measures regarding the number of tests performed for various communicable diseases are captured. Modifications to what is reported in the budget book in the future can be adjusted to reflect the story we are trying relate about the performance of a program.

INOVA ALEXANDRIA HOSPITAL

Question: The proposed budget includes \$1,011,150 of funding for Inova Alexandria Hospital referencing the cooperative agreement to provide health care services. Can you please detail what services this funding provides? What agreements are in place, or will be negotiated to align this funding to those services?

Response: There is a relatively long history between the City of Alexandria and Alexandria Hospital, or what is now known as INOVA Alexandria Hospital, going back to

the 1970s. This relationship includes services that integrate and complement both the Alexandria Health Department and Neighborhood Health (formally ANHSI). These include co-staffing Alexandria's prenatal clinic; provision of grounds to the City for establishment of the Flora Krause Casey Health Center at INOVA Alexandria Hospital (in which both the Health Department and Neighborhood Health provide services); provision of INOVA support directly to Neighborhood Health; and collaborations on public health emergency preparedness and response.

Traditionally there have been two categories of City funding for the local hospital: Indigent Care and Outpatient Diagnostics. These are described below.

\$800,000 (Indigent Care)

Indigent care was established prior to 1981. Available Alexandria Health Department (AHD) records are not complete, but indicate the amount began at \$260,000 and increased to \$300,000 in 1982. From FY 2004 through FY 2011 the City contribution was \$700,000 annually. This amount was increased to \$800,000 by City Council in FY 2012.

\$270,000 (Outpatient Diagnostics)

Outpatient care began in the 1990s with an initial annual funding amount of \$155,000. Each year this funding was budgeted in the AHD budget and was then transferred to the INOVA budget within the Other Health Activities Department. In FY 2001, the funding amount was increased from \$155,000 to \$240,000. It was then increased again in FY 2002 from \$240,000 to \$270,000 and has remained at this level in each subsequent fiscal year. In FY 2015, as part of the City Manager's proposed budget, this funding was consolidated with the \$800,000 for indigent care within INOVA's budget, thus removing AHD as an intermediary for disbursement of these funds.

OFFICE OF HISTORIC ALEXANDRIA POSITIONS

Question: "(Page 12.22) The proposed budget reclassifies an existing Museum Director position into a Deputy Director position to "support increased retail and special event revenues." What additional revenues will this reclassification provide? Are those revenues included in the proposed FY 2015 budget?"

Response: The reclassification of a current Museum Director position to Deputy Director will provide increased revenues in FY 2015, but these revenues will be applied to OHA special revenue (retail) and donations accounts, not to the General Fund. Although no revenue estimate for FY 2015 has yet been calculated, it is expected the Deputy Director position would generally increase retail, rental and event program revenues by approximately 15% (department-wide) in the first year, depending on the areas of retail and program expansion developed by the position, the feasibility of implementation at each individual site, and the timing with which the position is filled. New revenues will be appropriated in supplemental ordinances during FY 2015 and included in the FY 2016 budget

based on FY 2015 experience.

PLANNING AND ZONING POSITIONS

Question: “(Page 12.42) The proposed budget includes \$48,476 to convert a part-time administrative support position to full-time to staff the Planning Services and Information Counter. What associated fees could be increased to fund this position and how much would they need to be raised in order to make this change cost-neutral to the General Fund?”

Response: This will allow for full time staffing of the Planning Services and Information Counter, formerly the Zoning Counter, as well as provide a reception function for visitors coming to meet with staff. Currently this function is performed on a rotating basis by the planning staff, an arrangement that is not ideal because higher-value work is delayed so that the counter can remain staffed. The proposal is to reassign a staff position now performing telephone receptionist duties part-time to staff the information counter full time. The new assignment requires higher levels of knowledge and experience, justifying a reclassification of this position to a higher level in the administrative support series. The investment of \$48,476 will free up one FTE of an urban planner worth approximately \$145,000 in salaries and benefits.

Fees

Changes to development fees are not recommended as Planning and Zoning increased these fees significantly last year and the development community did not object on the condition that performance targets continue to be met consistently. The increase last year was projected to increase General Fund revenues by approximately \$450,000 a year. Fee increases are revisited on a three-year basis.

Planning and Zoning is, however, proposing some increases this year: an IT and training levy on development projects and another fee on Board of Architectural Review cases that will result in approximately \$40,000 additional dollars annually to the Special Revenue Fund.

Question: “What is the service impact if the Urban Planner I position remains unfunded or is delayed?”

Response: Planning and Zoning has now employed seasonal planners for two positions for two years. Activity levels have continued to increase over those two years. The level of development is forecast to continue to be high for the foreseeable future. It is the City’s policy that seasonal positions should not be used to meet ongoing needs for multiple fiscal years. It is in the City’s interest have a long-term permanent position associated with this work, as the position requires considerable knowledge of the City as well as the development of positive working relationships with elected and appointed officials and members of the community.

Impact

The impact of not converting one seasonal position into one full-time position can be estimated using the value of the development processed by a development planner, on average. An FTE in the Development Division processes approximately 500,000 square feet of development per year (long term average). Whenever the position turns over (common with positions filled with seasonal staff), it requires 6 months of training and a delay in ability to process 250,000 square feet of development. This would cost the City, on average, \$750,000 in real property tax revenues. The current review time is 12 to 18 months for the preliminary plan and public hearings. This is at the upper limit of review timeframes considered generally acceptable for fostering economic growth and attracting quality development.

If a conversion is not funded, funding of the seasonal position is requested.

OTHER POST EMPLOYMENT BENEFITS

Question: “(Page 9.12) Footnote number 4 on the City's OPEB liability indicates that the estimate does not include the removal of retiree life insurance for new hires (an FY 2010 change). When will the City's OPEB liability be re-estimated to include the impact of this policy change?”

Response: The cited footnote was appropriate during the FY 2010 budget process, but should now be removed. Retiree life insurance for new hires was eliminated through the add/delete list process during the FY 2009 budget. The FY 2009 OPEB valuation was prepared in FY 2010 with the elimination of the retiree life insurance benefit. All valuations since then have reflected the elimination.

CIVIC ENGAGEMENT/PUBLIC COMMUNICATIONS POSITION

Question: “(Page 12.67) Why is the Civic Engagement/Public Communications position proposed to be in Transportation & Environmental Services? What is the intended scope of work for this proposed position?”

Response: The Civic Engagement/Public Communications position is proposed to be in Transportation & Environmental Services (T&ES) because the majority of work for this position is located within the department. While the budget for the FTE is in T&ES, the capacity of this position will be shared in part among T&ES and Planning & Zoning, as many of the projects requiring enhanced civic engagement and communication are interdepartmental. This position's role is essential to managing the everyday functions of the project management team, working in coordination with the City's Office of Communications to meet the public information, education, and outreach needs for various program/project needs within T&ES. The scope of work for this position includes creating, implementing, and evaluating communication plans for various departmental programs, projects, and initiatives - including implementing the standards as

approved by the City's "What's Next Alexandria" initiative and Civic Engagement Handbook, T&ES' Bike Pedestrian Master Plan Update, Transit Corridor C, Crystal City Potomac Yard (CCPY) Transitway, the Potomac Yard Metro, and other major transportation projects. General functions include education, civic outreach, communications planning, website management, producing marketing and public information collateral, video and media support.

STORMWATER

Question:

“(Page 12.71) An additional 7 FTE are proposed for maintenance of city-owned BMPs. Which BMPs does this include? Is the City not meeting current state and federal regulatory requirements related to these BMPs? How will these positions assist in meeting those requirements? What will be the full FY 2016 impact of these positions?”

Response:

The proposed addition of 7 FTEs will focus on storm water infrastructure including city-owned BMPs and the 189-mile City storm sewer system, where current resources to meet regulatory requirements are inadequate. Of the 7 FTEs requested, 4 will be responsible for BMP maintenance and 3 will be responsible for storm sewer maintenance. Position duties include:

BMP Inspection and Maintenance Team- This team would inspect and perform the Virginia Department of Environmental Quality (DEQ) permit required maintenance to 84 City-owned (non-ACPS) BMPs for which maintenance responsibility currently lies within General Services, RPCA, and T&ES. This maintenance includes regular preventative (weekly) maintenance as well as major planned and unplanned corrective maintenance. These activities are required to ensure these BMP facilities are operating within the requirements of our permit. City Agencies have not maintained BMP's historically and current staffing levels do not support this required maintenance effort. The four person crew includes a DEQ required inspector, lead equipment operator, equipment operator and laborer (compliant with Virginia Occupational Safety and Health confined space entry requirements).

Storm Sewer Inspection and Maintenance Team- Through the City's MS-4 permit the City is responsible for maintaining 189 miles of storm sewer and related structures. Currently the maintenance activities include contracted maintenance on catch basins only as well as minimal reactive maintenance within the storm sewer system. This three person crew would perform preventative and additional corrective maintenance in our storm sewer system. These activities will include light cleaning of storm sewers which have been identified through engineering studies as having diminished capacity due to debris and silt build up, proactive cleaning of storm structures to mitigate flooding concerns, and corrective repairs. The three person crew includes a lead equipment operator, equipment operator and laborer (compliant with Virginia Occupational Safety and Health confined space entry requirements).

The 7 FTEs are funded at 75% in the proposed FY2015 budget. The full FY 2016 impact is estimated at \$451,177

RESIDENTIAL REFUSE FEE

Question: “(Page 12.74) The notes on the residential refuse fee indicate that some of the expanded recycling activities approved by Council in FY 2014 are budgeted to continue into FY 2015. Which activities are continuing, and which activities are not continuing? What would be the required increase in the residential refuse fee to continue all of the expanded recycling activities funded in FY 2014 into FY 2015?”

Response: As part of the budget process for FY 2014, a number of expanded recycling activities were approved through the Add/Delete process and funded using \$210,000 in Contingent Reserves. These include: (1) public space recycling (Phase I), (2) food waste composting, (3) T.C. Williams recycling partnership and (4) waste minimization pilot. The waste minimization pilot, public space recycling (Phase 1) and the T.C. Williams partnership involved one-time initiatives or capital purchase (recycling containers and compactors). These programs will continue at current levels or sunset on schedule. Under the Proposed FY 2015 budget, the food waste composting program at Farmer Markets would not continue after June 30. Public space recycling would not be expanded to Phase 2, but would continue for FY 2015 at current (Phase I) levels of service.

The required increase in the residential refuse fee to continue, or expand as originally proposed, all recycling activities into FY2015 would be \$8.84. Of this, \$1.15 (or \$23,000) would be required to fund food waste composting and \$7.68 (\$153,000) would be for Phase 2 of public space recycling. This cost would include a collection vehicle (\$60,000), seasonal operator (0.5 FTE/\$21,000) and 58 additional recycling containers (\$72,000) for high-traffic pedestrian areas such as commercial corridors, transit stops and athletic fields. The table below shows the array of expanded activities, costs to continue or expand where applicable, and the associated fee increase needed for their support.

Program Activity	Funded FY 2014	Funded FY 2015	Activity Cost	Residential Fee Increase (per billable customer)
Year Round Mulching (Tub Grinding)	Yes	Yes	--	--
Year Round Brush Collection	Yes	Yes	--	--
Seasonal Yard Waste (grass) Collection	Yes	Yes	--	--
Public Space Recycling(Recycling on the Go)	Yes	Yes - Phase 1 (funded) No - Phase 2 (not funded)	\$153,000 (see note 1)	\$7.68

Food Waste Composting (Farmers Market)	Yes	No	\$23,000	\$1.15
Recycling Partnership (TC Williams Compactors)	Yes (one time funding)	n/a	n/a	n/a
Waste Minimization Pilot (Waste Watchers)	Yes (one time funding)	n/a	n/a	n/a

Note 1 – The Phase 2 total includes 0.5 FTE driver \$21,000, a collections vehicle \$60,000 and 58 additional recycling containers \$72,000.

STREETLIGHTS

Question: “Last year Dominion Virginia Power performed a city-wide assessment of streetlight outages as a "courtesy." In communication with the City, Dominion offered the City the ability to contract to perform these assessments more frequently. What would be the cost to perform quarterly city-wide assessments utilizing either Dominion, existing City resources, or a third-party?”

Response: Performing a City wide assessment of City street lights would cost an estimated \$18,500 to \$22,000 per quarter if performed by Dominion Virginia Power or an independent contractor or \$5,000 to \$6,000 if performed by City staff. Dominion Virginia Power performed this assessment in the fall of 2013. City staff performed its own assessment in the summer of 2013.